

 <div style="text-align: center;"> Massachusetts  Department of Correction  <b>POLICY</b> </div>		Effective Date  9/14/2023	Responsible Division  Deputy Commissioner, Career and Professional Development
		Annual Review Date  9/14/2023	
Policy Name  103 DOC 210 PAY ADMINISTRATION		M.G.L. Reference: Chapter 124, § 1 & (q)	
		DOC Policy Reference: 103 DOC 201; 103 DOC 202; 103 DOC 250	
		ACA/PREA Standards: 4-ACRS-7D-27; 5-ACI-1B-16	
Attachments Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Incarcerated Individual Library Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Applicability: Staff	
Public Access Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		Location: Department's Central Policy File Each Institution's Policy File	
<p><b>PURPOSE:</b>  The purpose of this policy is to establish Department of Correction ("Department") pay administration procedures</p> <p><b>RESPONSIBLE STAFF FOR IMPLEMENTATION AND MONITORING OF POLICY:</b>  Deputy Commissioner, Career and Professional Development  Executive Director, Division of Human Resources  Superintendents</p> <p><b>CANCELLATION:</b>  103 DOC 210 cancels all previous Department policy statements, bulletins, directives, orders, notices, rules and/or regulations regarding pay administration, which are inconsistent with this policy.</p> <p><b>SEVERABILITY CLAUSE:</b>  If any part of 103 DOC 210 is, for any reason, held to be in excess of the authority of the Commissioner, such decision shall not affect any other part of this policy.</p>			

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**DEFINITIONS**

Chief Human Resources Officer: The executive staff person who oversees the Commonwealth's Human Resources Department.

Collective Bargaining Agreement: The contract which applies to an employee's bargaining unit.

Collective Bargaining Unit: One (1) of eleven (11) statewide units, established by the Commonwealth's Labor Relations Commissioner, into which state employees with similar work responsibilities/related job functions represented by a union are grouped for purposes of collective bargaining.

Confidential Employee: An employee so designated in accordance with the provisions of M.G.L., Chapter, 150E who assists or acts in a confidential capacity to a management employee.

Contract Employee: Individuals paid for services performed within a correctional institution for or through a contracted service or agency.

"03" Contract Employee: Individuals who are employed through contracts, as opposed to being appointed into authorized positions, as is the case for state employees. Contract employees have an employee-employer relationship with the Commonwealth. These individuals are paid through the Commonwealth's payroll system and have tax withholding and other deductions. Contract employees are not entitled to membership in the state retirement plan, or in any employee insurance plans. They are not eligible for fringe benefits, sick, vacation or personal leave. All contract employees are expected to follow all policies, rules and regulations of the Commonwealth and agency for which they work.

Deputy Commissioner of Career and Professional Development: The executive staff person who reports to the Commissioner, and whose duties include, but are not limited to, the management of the Office of Diversity & Equal Opportunity, Staff Training, Career Development and Succession Planning for the Agency, Human Resources, and the Employee Assistance Services Unit.

Garnishments: Mandatory deductions authorized by a court order, federal or state tax levy or other legal entity to be taken from an employee's after-tax wages according to the written instructions accompanying the garnishment order.

Hiring Authority: That senior staff person (Deputy Commissioner, Superintendent, or Division/Department Head) reporting directly to the Commissioner responsible for recruitment, selection, and hiring to positions that fall under their managerial jurisdiction.

Holiday: Those legal holidays set forth in M.G.L. c. 4, § 7, January first (New Year's Day), June nineteenth (Juneteenth), July fourth (Independence Day), November eleventh (Veterans Day), and December twenty-fifth (Christmas Day), or the day following when any of said days occurs on Sunday, and the third Monday in January (Martin Luther King Day), the third Monday in February (Presidents' Day), the third Monday in April (Patriot's Day), the last Monday in May (Memorial Day), the first Monday in September (Labor Day), the second Monday in October (Columbus Day), and the fourth Thursday in November (Thanksgiving Day).

Human Resource/Compensation Management System (HR/CMS): The biweekly payroll system administered by the State Comptroller, that provides flexible functionality for state human resources and payroll administrators and assures conformity to state and federal financial and legal requirements.

Management Employee: An employee so designated in accordance with the provisions of M.G.L., chapter 150E who (a) participates to a substantial degree in formulating or determining policy, or (b) assists to a substantial degree in preparation for the conduct of collective bargaining, or (c) has substantial responsibility, not initially in effect, in the administration of collective bargaining agreements or in Personnel Administration, and (d) is not included in a bargaining unit.

Management Pay Plan: The guidelines that establish manager(s) salaries utilizing predetermined salary bands by management level.

Mandatory Payroll Deductions: Deductions mandated by statute and can either be pre or post tax deductions.

Massachusetts Management Accounting and Reporting System (MMARS): The accounting system of the Commonwealth as mandated by the comptroller's division within the Executive Office of Administration and Finance.

Office of Diversity & Equal Opportunity (ODEO): A Division of the Department that provides employees with assistance in resolving complaints of discrimination or retaliation.

Office of the State Comptroller: Independent agency within the Executive Branch. The Comptroller's role is to work with Commonwealth fiscal officers to ensure the integrity, accountability and efficiency of the Commonwealth's fiscal operations, communicate accurate and timely financial information to decision makers within the Executive, Legislative and Judicial Branches the financial community as well as the general public, and provide leadership and professional guidance in areas of fiscal policy within the Commonwealth and nationally. The Office is committed to accomplishing this mission in partnership with all Commonwealth fiscal officers.

Requests for Approval/Authorization to Hire Form: Department form used by hiring authorities to notify the Department's central/institution personnel office that an employee has been hired or promoted. The Department's central facility payroll office is then notified to place a new employee on the payroll or to notify same of changes in an employee's payroll status.

Salary Schedules: Are set salary charts for employees established by their respective bargaining unit agreements.

Union: The recognized bargaining agent for the employee's bargaining unit.

Voluntary Payroll Deductions: Deductions for programs that are legislatively authorized as either a Commonwealth program or a program in which the Commonwealth's fiduciary responsibility is limited solely to ensuring that the employee's requested deduction is disbursed to the designated authorized vendor. They can either be pre or post tax deductions.

## **210.02**

### **EMPLOYEE SALARY SCHEDULES**

- A. A management pay plan has been established for management employees of the Commonwealth pursuant to M.G.L. c. 30 §46C. Merit increases as determined by the Chief Human Resources Officer, are based on performance.
- B. Employees represented by union organizations (see 103 DOC 250, *Labor Relations*), in accordance with M.G.L., c. 150E, have separate and distinct salary schedules determined by the collective bargaining process and contained in the appropriate collective bargaining agreement for their bargaining unit.
- C. Confidential employees are paid in accordance with the salary schedule contained in the collective bargaining agreement covering their position titles, pursuant to M.G.L., c. 30, as amended.
- D. Copies of all salary schedules are on file at the Division of Human Resources (DHR) personnel and payroll office. All management and collective bargaining agreements approved by M.H.R.D. are implemented by HR/CMS to update salaries.

## **210.03**

### **PROCEDURES FOR PLACING AN EMPLOYEE ON THE DEPARTMENT'S HR/CMS SYSTEM**

- A. An employee shall only be placed on the Department payroll when there is an approved request for approval/authorization to hire form. All candidates being hired, transferred, or promoted into management

positions at the MV level or above are required to go through a full background check to include a certification of tax status certified by the Massachusetts Department of Revenue. An employee shall be appointed to a position prior to being placed on the payroll. (Also refer to Department policy 103 DOC 202, *Civil Service and the Massachusetts Human Resources Division*).

- B. The Department's Personnel Office shall notify the hiring authority (by signing the request for approval/authorization to hire form) that approval has been granted to hire an employee, pursuant to 103 DOC 201, *Selection and Hiring*.
- C. Once the Personnel Office/Commissioner notifies the hiring authority of approval for hire, the following procedures shall be utilized in placing an employee on the HR/CMS (Human Resources/Compensation Management System) system:
  - 1. The hiring authority shall notify the appropriate division/institution of the employee's approval for hire.
  - 2. DHR shall appoint the new hire or promotion via the HR/CMS system, and shall input all payroll deductions, e.g., federal and state taxes, retirement, insurance. The DHR office shall subsequently update any changes made to deductions by the employee. The DHR office shall also input all bi-weekly attendance exceptions to update all leave balances.

#### **210.04**

#### **DEPARTMENT OF CORRECTION PAYROLL POLICIES AND PROCEDURES**

- A. The Department currently utilizes the state Comptroller's HR/CMS System for the payment of the bi-weekly employee payroll.
- B. Department employees shall be paid bi-weekly for authorized work including overtime adjustments and deductions for the previous bi-weekly period. DHR is responsible for the collection of all information relative to attendance, overtime hours, etc. necessary for the accurate processing of these exceptions to the bi-weekly HR/CMS payroll.
- C. All pay advices are issued in arrears on Fridays, for the pay period ending the previous Saturday. Employees are able to suppress pay advice through HR/CMS.
- D. All payroll advices are distributed by staff of DHR.

- E. All new employees shall receive a pay advice within the next HR/CMS pay cycle.
- F. All employees may access their pay advice through HR/CMS. Payroll information is usually available on Thursday, the day prior to pay day.
- G. Copies of the HR/CMS Users Guide shall be maintained by DHR's staff who are involved in the payroll function.
- H. The use of HR/CMS special payrolls which includes: accounts payable and prior year deficiencies, shall be paid in accordance with the rules and regulations as determined by DHR.
- I. The Executive Director of the Division of Human Resources shall approve adjustments for retroactive pay increases, judgments, and settlements in excess of \$5,000.
- J. Adjustments, judgments, settlements for the current fiscal year, if less than \$500.00 can be paid from current year funds if available.
- K. All settlement and judgments must be submitted to the office of the Comptroller for payment. Settlements and Judgments in excess of \$500.00 to be submitted for payment by CTR fund. Settlements and Judgments payments less than \$500.00 from Department funds.
- L. Documentation of Attendance
  - 1. All employees are required to document their attendance.
  - 2. All non-management employees, at sites determined by the Executive Director of the Division of Human Resources, shall utilize a time clock and timecards. All other sites, at a minimum, shall maintain time sheets noting actual hours worked. All timecards and time sheets shall be signed by the appropriate supervisor. Unsigned copies shall be faxed back to each appropriate supervisor for signature. The signed copy is to be sent back to the payroll department and filed in the biweekly reconciliation folder.
  - 3. Overtime for all employees shall be documented as to hours worked and shall be authorized by their appropriate supervisor.
  - 4. Timecards/time sheets are kept as the source document of record.
- M. Processing of HR/CMS Payroll

The actual processing of the Department's payroll in HR/CMS is based on the regular bi-weekly payroll along with all exceptions inputted by DHR.

N. Reconciliation of HR/CMS Payroll Output

1. The Department maintains, on its own Access Database system, an internal control mechanism for reconciling the accuracy of the regular payroll issued by HR/CMS. All permanent changes, e.g., hires, terminations, promotions, demotions, step raises, industrial accidents, salary modifications, shall be entered on the Department's Access Database system.
2. Each payroll coordinator is responsible for the reconciliation of all HR/CMS payroll exceptions. This person shall also review the Commonwealth Information Warehouse as part of the reconciliation process by balancing all monies and employee balances. Each pay period reconciliations are also reviewed by the Payroll Supervisor.

As an additional internal control measure, this reconciliation process shall be routinely reviewed by the Director of Payroll for DHR.

3. Overtime hours actually paid on the HR/CMS report shall be reconciled to the overtime hours actually authorized for said division/institution for that pay period.
4. Holiday pay shall be reconciled to the attendance records.
5. All garnishments shall be either court ordered, or those collection cases brought by other state and federal agencies.
6. All reconciled documents shall be appropriately filed by pay week and compared to the HR/CMS payroll reports prior to the issuance of the bi-weekly pay advices.

O. Payroll Withholding Forms

DHR shall maintain, in alphabetical order, copies of all form W-4 (federal) and form M-4 (state) employee's withholding certificates. Under no circumstances shall any changes in this area be ascertained unless appropriate withholding forms have been received authorizing such a revision. If an employee wishes to claim exempt from withholding taxes, they must file a new form W-4 every calendar year no later than February 15th.



P. Lost Checks

A written request for a stop-payment and duplicate check to be issued shall be sent to the State Treasurer's office. This may take up to two (2) weeks for the replacement check to be issued.

Q. Voluntary Deductions

Voluntary payroll deductions (e.g., direct deposit, special insurance) shall not be initiated or terminated without written authorization of the employee or an appropriate third party. The appropriate documentation shall be maintained at DHR. It is the responsibility of DHR to ensure that all mandatory deductions (e.g., retirement, union dues, withholding) are satisfied before permitting any voluntary payroll deductions.

R. COBRA

The Consolidated Omnibus Budget Reconciliation Act of 1985 requires that the Medicare tax portion of the Federal Insurance Contributions Act (FICA) be applied to wages of services rendered after March 31, 1986, for newly hired employees and applicable 03 contractors (03 contractors should be defined in the definition section) of state and political subdivisions. Certain services are excluded from the definition of COBRA; there are exceptions that may also result in the exclusion from the Medicare tax. Please refer to MMARS memorandum no. 26 for specific instructions and in-depth applicability of said tax.

S. The Department maintains the right to make deductions for monies owed to the Commonwealth of Massachusetts.

**210.05**

**OVERPAYMENTS/UNDER PAYMENTS**

- A. Any overpayment to a Department employee shall immediately be reimbursed by said employee within the next payroll period. The Deputy Commissioner, Administration shall be notified of any extenuating circumstances which do not allow for such immediate reimbursement and may approve any alternative repayment schedule.
- B. A Departmental centralized advance fund, under the jurisdiction of the Deputy Commissioner, Administration, is available to satisfy the non-payment of employee regular salary. This advance shall not be utilized for any underpayment of additional pay, e.g., overtime, holiday, roll call. Appropriate HR/CMS payroll adjustments shall be ascertained at the institutional level to satisfy under payments of additional pay or salary advance reimbursements made from the central account by the next payroll period.

**210.06****TIMELY PAYMENT TO EMPLOYEES AND PAYROLL RELATED QUESTIONS**

- A. All new employees shall receive a pay advice within the first three (3) weeks of employment in the Department or the next pay cycle.
- B. Each Superintendent and Division Head shall designate (an) individual(s), who shall be responsible for answering any employee's questions relative to their pay. If necessary, a system shall be designed, and implemented, so as to ensure the reasonable accessibility of these individual(s) to Department employees for the answering of such questions.
- C. If an individual employee, Superintendent, Division Head, or treasurer has a payroll related problem which cannot be resolved at the institution or division level, they should contact the Department's Executive Director of the Division of Human Resources for assistance in the resolution of the problem and submit a description of said problem in writing as soon as possible.

**210.07****RETENTION OF ACCOUNTING RECORDS/SOURCE DOCUMENTS**

The Department (DHR) must systematically file and maintain all fiscal records to facilitate later retrieval for audit purposes.

**210.08****ACCESS TO RECORDS**

The Executive Director of the Division of Human Resources or their designee shall have access to all fiscal records for audit purposes to determine compliance with this policy.

**210.09****RESPONSIBLE STAFF**

- A. The Executive Director of the Division of Human Resources, under the supervision of the Deputy Commissioner of Career and Professional Development, shall monitor and implement this policy throughout the Department.
- B. Each Superintendent or Department Head shall develop procedures that outline the gathering of time and attendance including overtime for their institution/division. Procedures should include complete information regarding the forwarding of original documentation to the Payroll Department every Monday no later than 9:00 a.m. This shall include timecards, time logs, and overtime reports with authorized signatures. Each institution shall retain copies of the overtime reports for supporting documentation.